



LIQUOR REGULATION CONFERENCE – MARCH 2012 CONCEPT DOCUMENT

1. INTRODUCTION AND PURPOSE

The National Liquor Authority will host a one-day conference on 08 March 2012 in Gauteng Province. The conference will be used as a platform to allow the general public to give their views on what they expect to see encapsulated on areas that are **the dti's** mandate from Inter-Ministerial Committee on Anti-Alcohol and Substance Abuse based on the approved government's Programme of Action.

2. BACKGROUND

2.1 The abuse of substances in South Africa has risen to unacceptable levels that prompted Cabinet to set up an Inter-Ministerial Committee on Anti-Alcohol and Substance Abuse (IMC) coordinated by the Minister of Social Development.

2.2 In March 2011, an Anti-substance Abuse summit was held at eThekweni hosted by the Department of Social Development and the Central Drug Authority. Thirty-four (34) resolutions were taken of which thirteen (13) were around liquor issues.

2.3 In order to implement the resolutions taken at the summit, government's Programme of Action was developed and approved by Cabinet in September 2011. In the Programme, each department was allocated responsibilities based on its mandate.

2.4 The role of **the dti** based on the Programme of Action can be clustered into the following:

- 2.4.1 Increase the minimum drinking age from 18 to 21;
- 2.4.2 Set standard for location of liquor outlets, trading days and hours;
- 2.4.3 Harmonise the liquor regulation;
- 2.4.4 Regulate the density of outlets in the country;

- 2.4.5 Impose mandatory contribution by the liquor industry to a fund that will be dedicated to work to prevent and treat alcohol abuse;
- 2.4.6 Intensify campaigns to educate people, in particular young people, about the dangers of alcohol;
- 2.4.7 Restrict liquor advertising;

3. THE PROBLEM STATEMENT

The Biennial Anti-Substance Abuse Conference that took place at eThekweni in March 2011 brought to light some of the challenges that South Africa is grappling with in relation to liquor legislation and enforcement. The current regulatory framework, that is governed by the three spheres of government also require the intensification of standardization and possible synchronization of some areas of liquor regulation.

In 1996, a draft liquor policy was developed and approved as a bill by parliament, the bill could not be signed off by the then President as it was deemed unconstitutional for not separating the competencies of provinces from those of national government in the liquor licensing framework. However, the Liquor Act 59 of 2003 was enacted without being aligned to the proposed policy. As a result, there is no approved liquor policy that forms the base for the current regulated liquor environment.

The lack of relevant and current policy has created a void and it becomes a challenge to address issues like age restrictions, zoning requirements for liquor outlets, advertising and promotion of liquor, to name but a few. Hence the need to create a platform for dialogue for the different stakeholders to present their input into areas that would be the framework for the development of a comprehensive national liquor policy that the IMC expects the dti to deliver by 2012/13.

4. THE PRESENT FRAMEWORK FOR THE REGULATION OF LIQUOR PRODUCTS IN SOUTH AFRICA

The regulation of liquor is a concurrent national and provincial legislative competence. Different Departments administer different aspects in the regulation of liquor and liquor products in South Africa.

- 4.1 **the dti** and the nine provincial liquor regulatory authorities are responsible for administering and regulating liquor supply value chain i.e. manufacturing to retail trade (Meaning and eventually 10 pieces of liquor trade legislations).
- 4.2 The Department of Agriculture is responsible for administering the Liquor Products Act.
- 4.3 The South African Revenue Services administers the Excise and Duties Act.
- 4.4 The municipalities look into the municipal by-laws and zoning for liquor outlets.
- 4.5 The South African Police Service plays the enforcement role.
- 4.6 The Department of Health is responsible for reducing drug demand and harm caused by psychoactive drugs, including alcohol through the promulgation of legislation and policy guidelines for early identification and treatment,
- 4.7 It collaborates with the Departments of Education and Social Development on national awareness campaigns and also supports treatment centres by advising on detoxification programmes, the appointment and support of medical personnel, capacity building and supervision.
- 4.8 The Department of Justice and Constitutional Development helps reduce the demand for illicit drugs and the supply of such drugs on the street. Regarding demand reduction, the department, through the criminal justice system plays a role in the Justice Crime Prevention and Security (JCPS) Cluster and the Social Cluster in the fight against drugs.

This framework present a challenge for law enforces and there is a need to harmonise and create a comprehensive liquor policy that will translate into legislation that is easy to implement and enforce.

5. THE THEME OF THE CONFERENCE

As the conference will be a platform for the different stakeholders to engage, the theme of the conference will be: “...**towards a balanced and effective liquor regulation framework**”.

6. CONFERENCE OBJECTIVES

The objectives of the conference will be:

- To create a shared understanding of the liquor legislation and identify areas of concern;
- To allow the public to express their view and lay the groundwork for the liquor policy;
- To create a platform for stakeholders to share their concerns around the topical issues and how they would expect the issues to be regulated;

7. EXPECTED OUTCOMES OF THE CONVENTION

- At the end of the conference, the input from the commissions will be packages as follows:
- A framework for the national policy on liquor regulation;
- A framework for a national strategy to enhance compliance;
- A framework for mitigating the rising costs for combating the socio-economic effects of alcohol abuse;

8. COMMISSIONS

The conference will be facilitated in the form of a short plenary session where the Minister or his delegate will give a key-note address and then break into commissions as per the attached draft programme. The attendees will be divided into commissions where in papers will be presented to cover the topical areas.

The commissions will address the following major areas:

- Drinking Age Limit
- Outlet Location, density and trading hours
- Enforcement to engender compliance
- Coordinating efforts to mitigate the effects of abuse

9. STAKEHOLDERS

The stakeholders (their roles have been analysed in the Stakeholder Analysis Report as attached) to the conference are as follows:

- Central Drug Authority (CDA);
- Government departments that are part of the IMC and their related agencies;
- Liquor Industry and its associations;
- Industry (SMME's: manufactures and distributors)
- Provincial Liquor Boards
- NGO's and CBO's that deal with liquor abuse
- Civil society organizations
- CONTRALESA